

**CALENDAR ITEM
C24**

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12/18/15

S 3

PRC 5166.1

M. Schroeder

**TERMINATION OF A GENERAL LEASE – RECREATIONAL USE
AND ISSUANCE OF A GENERAL LEASE – COMMERCIAL USE**

LESSEE:

Hugh Turner, dba Elkhorn Boat Club, Inc.

APPLICANT:

Sierra Railroad Company, a California Corporation

AREA, LAND TYPE, AND LOCATION:

Sovereign land located in the Sacramento River, adjacent to 18095 County Road 117, near the city of Woodland, Yolo County.

AUTHORIZED USE:

Continued maintenance of three existing uncovered floating boat docks, four pilings, and one three-pile dolphin previously authorized by the Commission and maintenance of two existing uncovered floating boat docks not previously authorized by the Commission.

LEASE TERM:

20 years, beginning April 17, 2015.

CONSIDERATION:

\$696 per year, with an annual Consumer Price Index adjustment, and the State reserving the right to adjust the rent at the 10-year anniversary, as provided in the lease.

SPECIFIC LEASE PROVISIONS:

Insurance:

Liability insurance in an amount no less than \$2,000,000 per occurrence.

Surety:

Surety bond or other security in the amount of \$5,000.

CALENDAR ITEM NO. **C24** (CONT'D)

OTHER PERTINENT INFORMATION:

1. Applicant owns the upland adjoining the lease premises.
2. On February 8, 2000, the Commission authorized a 15-year General Lease – Recreational Use to Elkhorn Boat Club, Inc. On April 5, 2004, the Commission authorized an assignment of lease to Hugh Turner dba Elkhorn Boat Club, Inc. That lease expired on June 30, 2015. On April 17, 2015, ownership in the upland transferred to Sierra Railroad Company, a California Corporation. The Applicant is now applying for a General Lease – Commercial Use.
3. Staff recommends termination of the existing lease because the Lessee abandoned the lease by selling the property and facility without executing a quitclaim deed. Additionally, the California Secretary of State records indicate that Elkhorn Boat Club, Inc. has dissolved.
4. The improvements include five existing uncovered floating boat docks, four pilings, and one three-pile dolphin. Two of the uncovered floating boat docks have existed for many years but were not previously authorized. Staff recommends including these facilities in the lease. The docks are currently in disrepair and are not being utilized. The Applicant plans to reconstruct the facilities at some point in the future. However, the Applicant does not currently have a reconstruction plan. Therefore, staff recommends requiring the Applicant to submit a reconstruction plan by April 17, 2018, and an application for a lease amendment to allow for reconstruction.
5. Termination of the lease is not a project as defined by the California Environmental Quality Act (CEQA) because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378 subdivision (b)(5).

6. The staff recommends that the Commission find that issuance of the lease is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, Title 14, section 15300 and California Code of Regulations, Title 2, section 2905.

CALENDAR ITEM NO. **C24** (CONT'D)

7. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBITS:

- A. Land Description
- B. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that issuance of the lease is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

SIGNIFICANT LANDS INVENTORY FINDING:

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

AUTHORIZATION:

1. Authorize termination effective April 16, 2015, of Lease No. PRC 5166.1, a General Lease – Recreational Use, issued to Hugh Turner dba Elkhorn Boat Club, Inc.
2. Authorize issuance of a General Lease – Commercial Use to Sierra Railroad Company, a California Corporation, beginning April 17, 2015, for a term of 20 years, for the continued maintenance of three existing uncovered floating boat docks, four pilings, and one three-pile dolphin previously authorized by the Commission and two existing uncovered floating boat docks not previously authorized by the Commission, as described in Exhibit A and shown on Exhibit B (for reference purposes only), attached and by this reference made a part hereof; annual rent in the amount of \$696, with an annual Consumer Price Index adjustment; liability insurance in an amount no less than \$2,000,000 per occurrence; and surety bond in the amount of \$5,000.

EXHIBIT A

PRC 5166.1

LAND DESCRIPTION

Two parcels of tide and submerged land in the bed of the Sacramento River lying adjacent to Swamp and Overflow Survey 460, patented December 26, 1879, Yolo County, State of California, more particularly described as follows:

PARCEL 1 – TWO ATTACHED DOCKS

All those lands underlying existing two (2) attached uncovered floating boat docks, each being 8 feet by 125 feet, one (1) 3-pile dolphin and two (2) pilings lying adjacent to Parcel A and Parcel B as described in Exhibit “A” of that Grant Deed recorded April 17, 2015 in Document 2015-0009923 in Official Records of said County.

PARCEL 2 – THREE ATTACHED DOCKS

All those lands underlying existing three (3) attached uncovered floating boat docks, each being 8 feet by 40 feet and two (2) pilings lying adjacent to Parcel A and Parcel B as described in said Grant Deed in Official Records of said County.

EXCEPTING THEREFROM any portion(s) lying landward of the Ordinary High Water Mark of the left bank of the Sacramento River.

Accompanying plat is hereby made part of this description.

END OF DESCRIPTION

Prepared November 20, 2015 by the California State Lands Commission Boundary Unit.



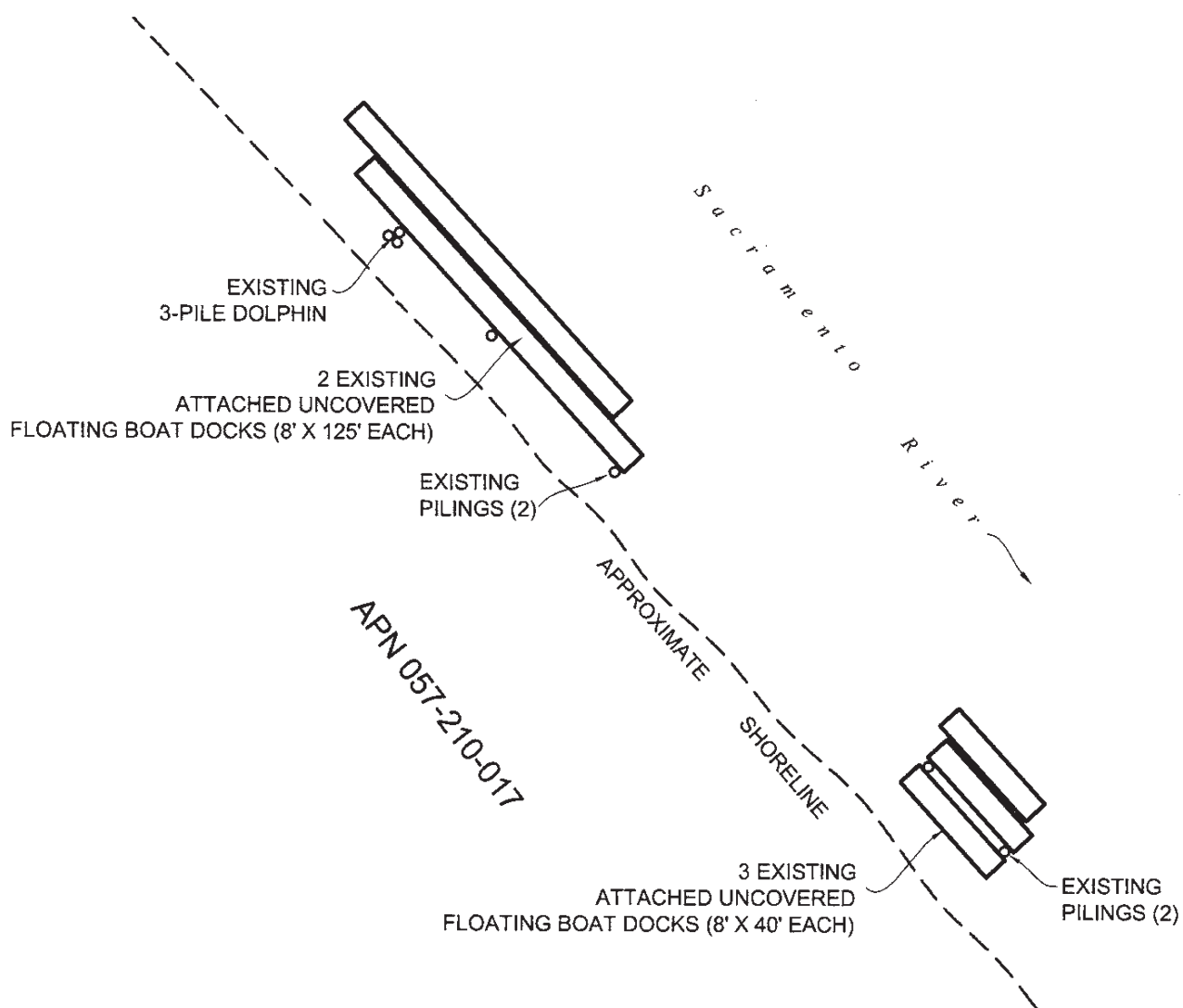


EXHIBIT A

Page 2 of 2

MJJ 11/20/2015

LAND DESCRIPTION PLAT
PRC 5166.1, SIERRA RAILROAD COMPANY
YOLO COUNTY

CALIFORNIA STATE
LANDS COMMISSION



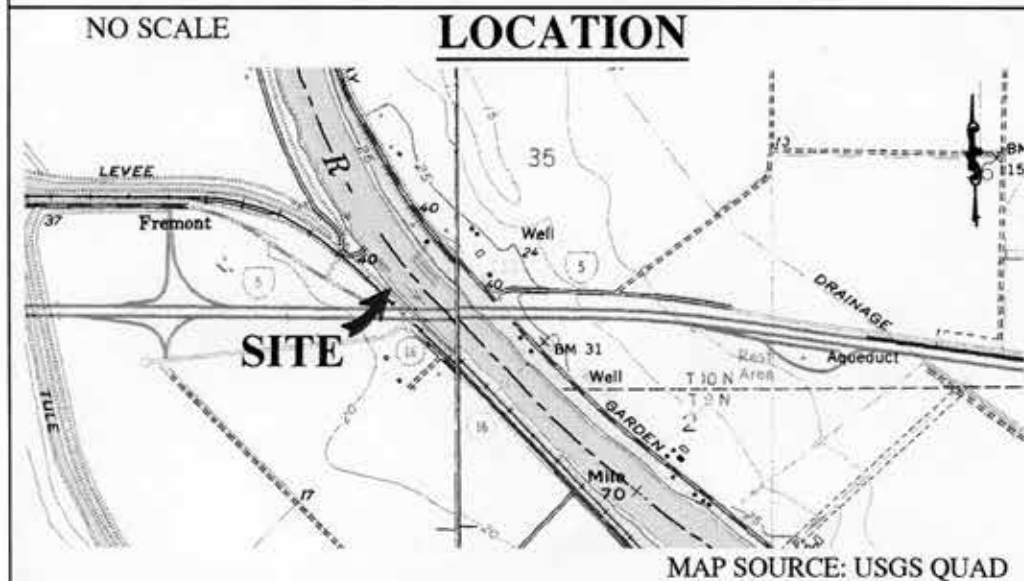
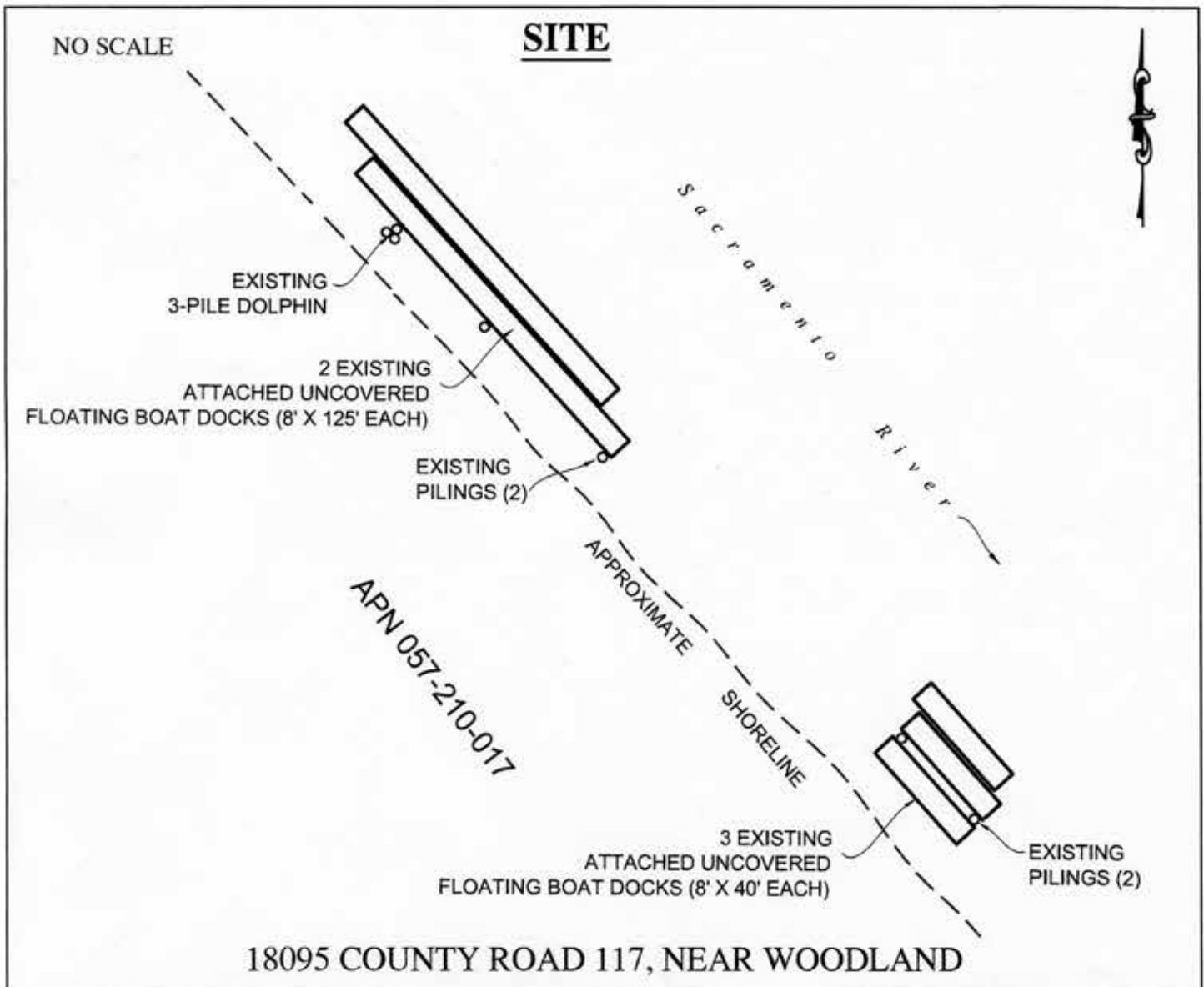


Exhibit B
 PRC 5166.1
 SIERRA RAILROAD COMPANY
 APN 057-210-017
 GENERAL LEASE -
 COMMERCIAL USE
 YOLO COUNTY



This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

MJJ 11/20/2015